

Episcopal Diocese of Lexington
Meeting of the Executive Council
January 27, 2007

The Executive Council of the Diocese of Lexington met at 10:00 a.m. January 27, 2007 at Mission House, Lexington, Kentucky. Members present were: The Rt. Rev. Stacy Sauls, Mr. David Davidson, Mrs. H. Allen Rogers (Marie), the Rev. Canon Johnnie Ross, The Venerable Bryant Kibler, the Rev. Margaret Shanks, Mr. Solomon Van Meter, Mr. Andy Sigmon, Mrs. Thomas Baird (Susan), the Rev. Dr. Ron Summers, Mr. Bill Blackmon, Mr. Gary Gabbard, Mr. Bill Sprague, Ms. Ann Davis McClain, Ms. Ann Miller Cox, Dr. Marshall Chapman, the Rev. Chip Valentine, Mr. Steve Locke, Mrs. Mary T. Yeiser, the Rev. Elise Johnstone, Ms. Tonya Jackson, and the Rev. Dr. John Burkhart. Also present were Mr. Greg Mullins and Mrs. Ida Gerson from the accounting firm of Moore, Stephens, Potter and Mr. Tom Robbins and Ms. Pat Mann from St. Michael's, Lexington.

Bishop Sauls opened the Meeting with Daily Devotions.

The Rev. Chip Valentine moved, Ms. Ann Davis McClain seconded that the minutes of the December 15, 2006 Meeting be approved as distributed. Passed.

Ms. Ann Miller Cox distributed a paper (attached herewith) clarifying 1) action taken to approve a Diocesan Loan for St. Mary's, Middlesboro 2) the existence and power of the Diocesan Loan Committee.

Ms. Miller moved, Dr. Marshall Chapman seconded that 1) the loan is between the Diocese of Lexington and St. Mary's Church. (No Declaration of Trust is needed as the Diocese owns the property) and that 2) the Diocesan Loan Committee is a committee appointed by the Bishop for the purpose of making recommendations to the Bishop and Executive Council.

Motion passed.

Mr. Davidson, Chancellor, stated that the Office of the Chancellor is a three year term, which ends at this Convention. He announced that he would not accept a re-appointment. The Executive Council expressed its gratitude for Mr. Davidson's service to the Diocese.

Mr. Greg Mullins, representing Moore, Stephens, Potter, distributed the Treasurer's Report to the Executive Council for the Twelve Months ended December 31, 2006 and the Accountant's Compilation Report (Financial Position for the Episcopal Church on the Diocese of Lexington, Inc. as of December 31, 2006). He explained the reports noting that at the end of the year we were \$11,600.99 under budget for the year 2006.

Discussion followed.

Mr. Solomon Van Meter, Assistant Treasurer for the Cathedral Domain, reported that there was a net loss of \$71,905.52 in the Cathedral Domain Budget.

Mr. Bill Sprague moved, the Rev. Elise Johnstone seconded that the funds to cover that loss be taken from the unrestricted Endowment Funds of the Cathedral Domain. Motion passed.

Ms. Ann Miller Cox moved that Mr. Bernie Sam's name be added to the Dodge and Cox Funds as a signator, in place of Ms. Maggie Hall. Dr. Marshall Chapman seconded the motion. Passed.

Mr. Van Meter reported that there was \$47,849.09 loss for the year in The Close Budget.

Ms. Ann Davis McClain moved, Mrs. Mary T. Yeiser seconded that funds in that amount be taken from The Close Endowment Fund to pay for that loss. Motion passed.

Mr. Van Meter stated that at this time there is enough money in the Diocesan Loan Funds for the money requested by St. Mary's Church and approved by the Executive Council to be released.

Discussion followed concerning the fact that the Trent Boulevard property is no longer available to be sold since St. Martha's congregation has notified the Bishop that they will now be responsible for all bills and will apply for "parish status" at the upcoming convention. It was noted that no property of the Diocese could be sold without the approval of the Bishop of the Diocese and the Standing Committee.

Bishop Sauls distributed the Report of the Assessment Appeals Committee (attached herewith) and explained the report. He then distributed the original appeal letter from St. Michael's and the response from the Appeals Committee.

Mr. Tom Robbins then distributed a letter of reconsideration of the Appeals Committee assessment of that appeal (attached herewith). The Council was given time to examine the information distributed concerning St. Michael's Church.

Mr. Tom Robbins and Ms .Pat Mann made comments concerning the information received by the Council concerning St. Michael's Church. Discussion followed.

Ms. Ann Davis McClain moved, Mrs. Mary T. Yeiser seconded that the Council affirm the assessment of \$11,418. for St. Michael's with \$12,065., the amount due on the loan, not to be due until the end of the year. Passed.

The Rev. Dr. Ron Summers moved, Ms. Ann Davis McClain seconded that the report of the Appeals Committee be approved. Passed.

Mr. Andy Sigmon, Manager of the Cathedral Domain, stated they had no further report.

Bishop Sauls then distributed copies of Draft II of the Budget (attached herewith). He noted that the members of the Budget Committee were the Rev. Birch Rambo, Mr. Bill Davis, Ms. Ann Davis McClain and Mrs. Mary T. Yeiser. He then explained the changes made from Draft I and Draft II.

The Rev. Dr. Ron Summers moved, Ms. Ann Miller Cox seconded that the budget (Draft II) be accepted as presented. Discussion followed.

Mr. Bill Sprague moved the Rev. Canon Johnnie Ross seconded that the budget be amended to restore \$2,000 to the Barnes Mountain Budget. Passed.

Following further discussion Mr. Bill Sprague moved, the Rev. Elise Johnstone seconded that the Draft II of the Budget be amended as follows:

- Change line 153 from \$9,000 to \$20,000. Motion passed.

and the money would come from the following:

- Change line 218 from \$13,000 to \$10,000
- Change line 220 from \$12,000 to \$8,000
- Change line 221 from \$7,000 to \$6,500
- Change line 223 from \$5,000 to \$3,000
- Change line 224 from \$8,000 to \$6,500

The original motion to pass the Draft II budget passed as amended. Draft II of the Budget for 2007 will become the Draft III Budget Proposal to be presented to Convention for their approval. It was noted that the total figures would be rechecked.

The Council also requested that the Budget Committee draft an explanation to Convention that they are aware that the Convention of 2006 requested that a Youth Minister and Hispanic Minister be given priority in the 2007 Budget.

The Rev. Canon Johnnie Ross, Canon to the Ordinary, no report.

The Venerable Bryant Kibler, Archdeacon, reported on the Christmas Party held at Barnes Mountain and the number of Churches and groups involved. He then distributed a request concerning unexpended restricted funds for the Outreach Building (attached herewith). Discussion followed. Archdeacon Kibler then moved that the remaining restricted funds given for the construction of St. Timothy's Outreach Building

be transferred to the St. Timothy's Episcopal Mission account. The Rev. Chip Valentine seconded the motion. Passed.

Mrs. Thomas Baird (Susan), President of the Episcopal Church Women, reported that UTO Screening Committee had met and that Bishop Sauls would forward two grant requests to the National UTO Office.

The Rev. Margaret Shanks, Director of St. Agnes House, reported that St. Agnes House had received an \$8,000 Grant from the Berea College Appalachian Fund. She also reported that Hope House sponsored by the Cancer Foundation will open in March. They will hold an Open House February 10th. Discussion followed.

The Rev. Chip Valentine moved, Dr. Marshall Chapman seconded that housing allowances be approved for Bishop Sauls, Canon Ross and the Rev. Margaret Shanks with the amount not to exceed the 2006 figures. Passed.

Bishop Sauls gave a reflection on his years as Bishop of this Diocese in his Sabbatical year (attached herewith).

Ms. Ann Davis McClain moved, Mrs. Mary T. Yeiser seconded that the Commission and Committee requested by the Bishop be appointed. Motion passed.

The Special Commission is to be appointed for the purpose of examining the questions raised by the Bishop as well as any and all concerns or allegations about the Bishop as it relates to finances and management. The following people were appointed to the Special Commission: The Rev. Bob Kirkpatrick, the Rev. Birch Rambo, Ms. Ann Richmond, Ms. Ann Davis McClain, Mrs. Mary T. Yeiser, Mrs. Tonya Jackson, the Rev. Dr. Ron Summers, Mr. Bob Voll and Dr. Austin Tuning.

A Special Committee made up of members of the Executive Council for the purpose of presenting a draft of bylaws, including committee job descriptions to be presented to the Council at its retreat, April 20-21, 2007, was appointed. Members are as follows: The Vice Chancellor, the Bishop, The Rev. Chip Valentine, Mr. Benjamin Bynum, and Ms. Ann Miller Cox.

The Bishop stated that the Auditor's Engagement Letter needed to be signed. Discussion followed. No motion was made.

There being no more business the Executive Council Meeting adjourned.

Respectfully submitted,

Marie C. Rogers (Mrs. H. Allen)
Secretary